

CONTRACT #5
RFS # 359.62-026-06

**Department of Children's
Services**

VENDOR:
**MHM Correctional Services,
Inc.**

REQUEST: NON-COMPETITIVE AMENDMENT

RECEIVED

MAR 03 2006

FISCAL REVIEW

APPROVED

Commissioner of Finance & Administration

Date:

EACH REQUEST ITEM BELOW MUST BE DETAILED OR ADDRESSED AS REQUIRED.

1) RFS #	359.62-026-06	
2) State Agency Name :	Department of Children's Services	
EXISTING CONTRACT INFORMATION		
3) Service Caption :	Provision of Psychiatric and Psychological Services at Woodland Hills Youth Development Center (WHYDC) and New Visions Youth Development Center (NVYDC)	
4) Contractor :	MHM Correctional Services, Inc.	
5) Contract #	FA-06-15450	
6) Contract Start Date :	July 1, 2005	
7) <u>Current</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	June 30, 2010	
8) <u>Current</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$225,000.00	
PROPOSED AMENDMENT INFORMATION		
9) <u>Proposed</u> Amendment #	One	
10) <u>Proposed</u> Amendment Effective Date : (attached explanation required if date is < 60 days after F&A receipt)	April 1, 2006	
11) <u>Proposed</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised :	June 30, 2010	
12) <u>Proposed</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised :	\$260,300.00	
13) Approval Criteria : (select one)	<input checked="" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state <input type="checkbox"/> Only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service :		
<p>The increased maximum liability will enable this department to continue providing required psychiatric and psychological services to services student residents in WHYDC and NVYDC as necessary. The amendment increases the FY 2006 liability by \$35,300.00 dollars total as follows: Sixteen thousand dollars (\$16,000.00) for WHYDC (359.62) and Nineteen Thousand, Three Hundred dollars (\$19,300.00) at NVYDC (359.64). The increased liability will pay for projected service levels through the end of Fiscal Year 2006. Additional Services outside the Scope of the initial contract are not being requested.</p>		

15) Explanation of Need for the Proposed Amendment :

The DCS facility, NVDYDC, is expecting to double its student population from the present number of twelve female student residents to twenty-four by June 30, 2006. The amended increase will cover the treatment service costs for those students associated with this increase. WHYDC has experienced an unexpected increase in utilization rates. Both factors require an increase in the maximum liability.

16) Name & Address of Contractor's Current Principal Owner(s) :
(not required if proposed contractor is a state education institution)

Steven H. Wheeler, President
MHM Correctional Services, Inc.
1593 Spring Hill Rd, Suite 610
Vienna, VA 22182

17) Documentation of Office for Information Resources Endorsement :
(required only if the subject service involves information technology)

select one: ☒ Documentation Not Applicable to this Request ☐ Documentation Attached to this Request

18) Documentation of Department of Personnel Endorsement :
(required only if the subject service involves training for state employees)

select one: ☐ Documentation Not Applicable to this Request ☒ Documentation Attached to this Request

19) Documentation of State Architect Endorsement :
(required only if the subject service involves construction or real property related services)

select one: ☒ Documentation Not Applicable to this Request ☐ Documentation Attached to this Request

20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :

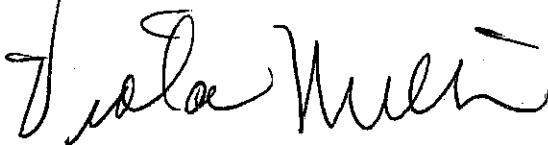
Alternative contractors have not been sought as the contract was awarded to the qualified Contractor submitting the lowest bid in a competitive bid process.

21) Justification for the Proposed Non-Competitive Amendment :

These services are part of the required array of specialized services provided to student residents. The typical student of a Youth Development Center is likely to have committed a violent offense toward another person, and may have mental-health problems or other specialized needs. Consequently, such treatment services as provided under this contract are crucial to the student residents preparation toward being released from custody.

REQUESTING AGENCY HEAD SIGNATURE & DATE :

(must be signed & dated by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)



Agency Head Signature

Date

Explanatory Note Regarding: Request submitted to F&A in less than 60 days.

The initial budget for the New Visions YDC facility could not be determined with accuracy at the outset of FY 2006. Recently, the DCS Contracts Section began efforts to amend certain professional services contracts at the NPYDC and WHYDC facilities that needed adjusting due to greater than expected utilization rates. However, while engaged in the process we were also made aware that NPYDC was expecting an increase in the student population, which would require amendments of additional contracts as well as those on which work had already begun. Rather than repeat the amendment process for these contracts so closely together, a request was made for NPYDC and WHYDC to review all service contracts in relation to the utilization rates and population increases and then provide the final amounts for FY 2006 of each contract needing an amendment. DCS needs to obtain approval of these amendments as quickly as possible to ensure that adequate funds remain available. Consequently, we are requesting immediate approval to aid in ensuring our ability to provide uninterrupted payment for services delivered.

Your assistance is greatly appreciated.

**AMENDMENT ONE
TO
FA-06-16450-01
BETWEEN THE STATE OF TENNESSEE
DEPARTMENT OF CHILDREN'S SERVICES
AND
MHM CORRECTIONAL SERVICES, INC.**

This Contract, by and between the State of Tennessee, Department of Children's Services (DCS), hereinafter referred to as the State, and MHM Correctional Services, hereinafter referred to as the Contractor, is hereby amended as follows:

1. Delete Section C.1. in its entirety and insert the following in its place:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Two Hundred Sixty Thousand Three Hundred Dollars, (\$260,300.00). The maximum liability of the State for fiscal year 2006 shall not exceed Eighty Thousand Three Hundred Dollars (\$80,300.00). Fiscal years 2007-2010 shall not exceed Forty-Five Thousand dollars (\$45,000.00) per fiscal year. The Payment Rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The Payment Rates include, but are not limited to, all applicable taxes, fees, overheads, profit, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with Payment Rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

The other terms and conditions of this contract not amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF,

MHM CORRECTIONAL SERVICES, INC.:

CONTRACTOR SIGNATURE

DATE

Steven H. Wheeler, President

DEPARTMENT OF CHILDREN'S SERVICES:

Viola P. Miller, Commissioner

DATE

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

M.D. Goetz, Jr., Commissioner

DATE

DEPARTMENT OF PERSONNEL:

Nat E. Johnson, Acting Commissioner

DATE

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

DATE

**FAX TRANSMITTAL**

TO : Dr. Lynn Goodman, Director
Employee Development & EEO **FAX # 532-0728**

FROM : Steven Barlar, Program Director
DCS Contracts Section **FAX # 244-8869**

DATE : February 28, 2006

RFS # 359.62-026-06

RE : Procurement Endorsement — Amendment One to FA-06-16450, with
MHM Correctional Inc.

NUMBER OF FAX PAGES (including cover) : 4

The nature and scope of service detailed in the attached service procurement document(s) appears to require Department of Personnel (DOP) review and support, because the procurement involves training of state employees.

This communication seeks to ensure that DOP is aware of the procurement and has an opportunity to review the matter. Please determine whether DOP is supportive of the procurement. If you have any questions or concerns about this matter, please call Steven Barlar at 615-532-2457.

Accompanying Document(s)

See Summary Sheet for Initial Contract copy FA-06-16450 and, pages 1 & 2 (complete Scope of Services), see A.1.c. Provide Staff Training

Note: We are developing Amendment #1 to FA-06-16450 which requests an increase in this contract maximum liability for FY 2006 in the amount of \$35,300.00. No other changes are being made to the contract except the maximum liability. Please let me know if you need further information or assistance in any way.

We are requesting immediate review and approval as DCS is striving to expedite several amendments that are necessary due to unexpected increases in service needs at Woodland Hills YDC and the doubling of the student resident population at New Visions YDC. Please indicate below your response to this proposed procurement, and return this communication at your earliest convenience (note the return FAX number above).

Thanks for your assistance

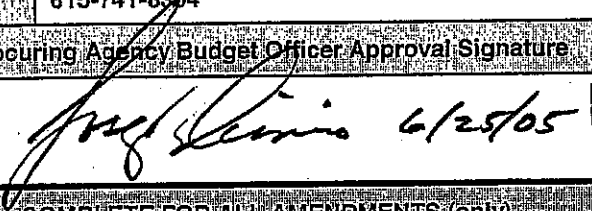
Department of Personnel Endorsement :

Lynn J. Goodman

2-28-06

DOP Director of Employee Development & EEO Signature & Date

CONTRACT SUMMARY SHEET

RFS Number: 359.62-026		Contract Number: FA-06-16450-CC	
State Agency: Department of Children's Services		Division: Contracts Administration	
Contractor: MHM Correctional Services, Inc.		Contractor Identification Number: 541856340-00	
		<input checked="" type="checkbox"/> V- <input type="checkbox"/> C-	
Service Description: Woodland Hills & New Visions Youth Development Centers – Psychiatric/Psychological Services			
Contract Begin Date: July 1, 2005		Contract End Date: June 30, 2010	
Allocation Code: 359.62	Cost Center: 561	Object Code: 134	Fund: 11
		<input type="checkbox"/> on STARS	
FY	State Funds	Federal Funds	Interdepartmental Funds
2006	\$45,000.00		
2007	\$45,000.00		
2008	\$45,000.00		
2009	\$45,000.00		
2010	\$45,000.00		
Total:	\$225,000.00		
CFDA #		Check the box ONLY if the answer is YES:	
State Fiscal Contact		Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Name: Joe Cimino	Address: 7 th Floor Cordell Hull Bldg Nashville, TN 37243	Is the Contractor a VENDOR? (per OMB A-133)	
Phone: 615-741-8304		Is the Fiscal Year Funding STRICTLY LIMITED?	
Procuring Agency Budget Officer Approval Signature		Is the Contractor on STARS?	
		Is the Contractor's FORM W-9 ATTACHED?	
		Is the Contractor's Form W-9 Filed with Accounts?	
COMPLETE FOR ALL AMENDMENTS (only)		Funding Certification	
	Base Contract & Prior Amendments	This Amendment ONLY	
END DATE →			
FY:			
FY:			
FY:			
FY:			
FY:			
Total:			

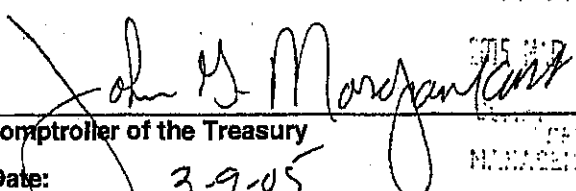
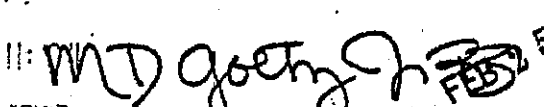
RECEIVED

JUL 14 2005

MANAGEMENT SERVICES

PROCESSED
 AUG 2 2005
 DIRECTOR OF ADOPTED

REQUEST: ALTERNATIVE PROCUREMENT METHOD

APPROVED  Comptroller of the Treasury Date: 3-9-05	APPROVED w/ deletion noted on page 2  Commissioner of Finance & Administration Date: FEB 25 2005
---	--

Note: Comptroller approval is required for an Alternative Competitive process that will result in a contract requiring the approval of the Comptroller.

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A REQUEST CAN NOT BE CONSIDERED IF INFORMATION PROVIDED IS INCOMPLETE, NON-RESPONSIVE, OR DOES NOT CLEARLY ADDRESS EACH OF THE REQUIREMENTS INDIVIDUALLY AS REQUIRED.	
RFS #	359.62-026
STATE AGENCY NAME :	Department of Children's Services
SERVICE CAPTION :	Psychiatric and Psychological Services -
CONTRACT START DATE : (If date is < 60 days after F&A receipt, attach required explanation)	July 1, 2005
LATEST POSSIBLE END DATE : (Including ALL options to extend)	June 30, 2010
TOTAL MAXIMUM COST : (Including ALL options to extend)	\$225,000.00 (five year term.)
ADDITIONAL REQUIRED REQUEST DETAILS BELOW (address each item immediately following the requirement text)	
(1) description of service to be acquired :	
Provide gender separate Psychiatric and Psychological Services at Woodland Hills Youth Development Center, (WHYDC) for up to 120 males on the original campus and also 24 female resident students housed in the New Visions facility for females.	
(2) justification for using an Alternative Procurement Method rather than an RFP :	
<p>The procurement of psychiatric and psychological services for youth development center student residents is not a new or unknown service to this department. Such services in our YDCs are and have been a significant component to their array of services to children served by this department at least since the creation of the DCS in 1996. This service is not temporary in nature, as it is a required service component within the YDC array of services. Consequently, DCS fully understands these services as required within the parameters of this contract.</p> <p>State law specifies the credentials and qualifications of those individuals capable of providing these services, thus defining for the purposes of procurement, individuals that are minimally qualified to perform these services. Unlike the RFP process, DCS does not need to require potential bidder(s) to provide the level of information that would be necessary to educate DCS about this service technology and the proposers understanding and capabilities to provide the service. It is hoped that the use of the alternative competitive method, in lieu of the time consuming RFP process, will also remove any potential barriers to bidding that an RFP might generate, and will thus encourage more providers to submit bids.</p>	
(3) proposed alternative procurement procedures and contractor selection criteria :	
1) Identification of Potential Contractors DCS will identify potential Contractors in the immediate and surrounding area(s) of WHYDC. Potential bidders will be identified through the State Service Provider Registry, professional contacts known to WHYDC staff,	

FEB 25 2005

Office of Contracts Review

#129
cy 05

phone directory listings and professional associations/organizations, and various internet websites.

Bid Packets will be sent to each interested vendor. Should the number of potential vendors be limited, bid packets will be sent to all vendors on the list. Should the number of potential vendors identified be significant, DCS will send out a letter of inquiry requesting that they declare an interest in receiving a bid packet. Each prospect will be sent a bid packet and invited to bid in an effort to receive the contract award. Bid packets will contain: instructions detailing the submission of bids; a description of the submission requirements; a copy of the Sample Contract, and a Proposers Bid Sheet.

2) Each bidder must also submit:

- ❖ a brief and complete description of their experience in providing these or similar services outlined in the sample contract's scope of services, including copies of certificates and licenses qualifying them to provide these services;
- ❖ a listing of at least three references with whom the bidder has previously contracted to provide comparable services;
- ❖ a copy of the completed bid sheet containing bids for each service item listed.
- ❖ a description detailing how services are to be provided

2.a. Should the bidder also plan to utilize other individuals to provide services, they will need to submit:

- ❖ a brief and complete description of their experience in providing similar services
- ❖ copies of certificates or licenses for each individual identified other than the bidder.

3) Evaluation of Submitted Bidder Packets:

- 3.a. A team of three DCS employees will review the response documentation from each bidder. In order for a bid to be accepted for further evaluation, the DCS evaluators must determine that a bidder's documentation of qualifications indicates that the bidder would be at least minimally acceptable as a contractor for the given service. The DCS evaluator determinations regarding each bidder will be documented in writing for the procurement file.
- 3.b. A procurement coordinator will review the cost proposal (bid sheet) for each bidder found by evaluators to be at least minimally acceptable. The coordinator will determine if the cost proposal complies with bid packet instructions without qualification and will document in writing any finding to the contrary for the procurement file.
- 3.c. The procurement coordinator will then review all compliant bid sheets. ~~The cost proposal will be evaluated and scored using the same concept as an RFP.~~ The procurement coordinator will then identify the bidder offering the lowest cost to the State and DCS will award the contract (exactly as detailed in the bid packet and drafted in accordance with relevant F & A regulations)

4) Staff Qualifications for these services are as follows:

- 3.a. Psychiatric Services: must be provided by a M.D. psychiatrist licensed by the State of Tennessee.
- 3.b. Psychological Services: must be provided by a Ph.D Clinical Psychologist Health Service Provider (HSP), licensed by the State of Tennessee.

5) The successful Contractor must be willing to provide the following services

Psychiatric Services:

- ❖ Psychiatric Evaluations
- ❖ Monitoring of Psychotropic Medications
- ❖ Case Consultation
- ❖ Crisis Intervention Services available to provide twenty-four (24) hour on-call services seven days a week. Such services may be provided as needed either on campus or telephone consultation
- ❖ Emergency or Standard Mental Health Transfer evaluation with certification of need when necessary

*Deleted as a condition of approval FEB 25 2005

Psychological Services:

- ❖ Program Oversight and Supervision
- ❖ Crisis Intervention Services available to provide twenty-four (24) hour on-call services seven days a week. Such services may be provided as needed either on campus or telephone consultation
- ❖ Case Consultation
- ❖ Emergency or Standard Mental Health Transfer evaluation with certification of need when necessary

(4) documentation of OIR endorsement of the Non-Competitive procurement request :
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(5) documentation of Department of Personnel endorsement of the Non-Competitive procurement request :
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

AGENCY HEAD REQUEST SIGNATURE:

(signed by the procuring agency head or
authorized signatory)

Viola P. Miller /KMB

SIGNATURE DATE: